| 1  | David Harold Moore  |  |  |  |  |  |  |  |  |  |
|----|---|--|--|--|--|--|--|--|--|--|
| 2  | 2767 Cherrydale Falls Drive<br>Henderson, NV 89052  |  |  |  |  |  |  |  |  |  |
|    | Telephone: (702) 492-0493   |  |  |  |  |  |  |  |  |  |
| 3  | E-mail: kellerlitigation@gmail.com  Defendant in propria persona  |  |  |  |  |  |  |  |  |  |
| 4  |   |  |  |  |  |  |  |  |  |  |
| 5  |   |  |  |  |  |  |  |  |  |  |
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| 8  | for the Northern Di<br>San Francis  |  |  |  |  |  |  |  |  |  |
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| 10 |   | Case No  | . 3:18-cv-00373-LB                             |  |  |  |  |  |  |  |
| 11 | Steep Hill Laboratories, Inc.,  | DECLARATION OF DAVID HAROLD MOORE IN SUPPORT OF REPLY IN SUPPORT OF SPECIAL MOTION TO STRIKE |  |  |  |  |  |  |  |  |
| 12 | Jmichaele Keller,<br>Plaintiffs,  |  |  |  |  |  |  |  |  |  |
| 13 | v.  | Date:<br>Time:   | March 8, 2018<br>9:30 a.m.                     |  |  |  |  |  |  |  |
| 14 | David Harold Moore,   | Room:  | Courtroom C - Floor 15<br>450 Golden Gate Ave. |  |  |  |  |  |  |  |
| 15 | Does 1 through 10, inclusive, Defendants.   |  | San Francisco, CA 94102                        |  |  |  |  |  |  |  |
| 16 | Defendants.   | Judge:   | Hon. Laurel Beeler                             |  |  |  |  |  |  |  |
| 17 |   |  |  |  |  |  |  |  |  |  |
| 18 | DECLA   | RATION   |  |  |  |  |  |  |  |  |
| 19 | I, David Harold Moore, declare as follows   | s:   |  |  |  |  |  |  |  |  |
| 20 | <ol> <li>I am over 18 years old and I make this declaration on the basis of my personal</li> </ol>      |  |  |  |  |  |  |  |  |  |
| 21 | knowledge of the facts set forth below, with the exception of whichever facts may be stated on in-      |  |  |  |  |  |  |  |  |  |
| 22 | formation and belief. Nonetheless, I believe those facts to be true. If called upon to testify, I could |  |  |  |  |  |  |  |  |  |
| 23 | and would testify competently in support of each and every single fact stated herein.                   |  |  |  |  |  |  |  |  |  |
| 24 | 2. I am the self-represented defendant in this case, and write and file this declaration                |  |  |  |  |  |  |  |  |  |
| 25 | in support of the concurrently filed reply.   |  |  |  |  |  |  |  |  |  |
| 26 | 3. Pursuant to Civil Local Rule 7-5(a), I declare that all factual contentions made in                  |  |  |  |  |  |  |  |  |  |
| 27 | support of my concurrently filed Reply are true as  |  |  |  |  |  |  |  |  |  |
| 41 | support of my concurrently med Kepry are true as  | na conect. A   | ii exilibits alliexed lieleto ale true         |  |  |  |  |  |  |  |

| 1                               | and correct copies of the documents they purport to be.                            |
|---------------------------------|--|
| 2                               | 4. I declare under penalty of perjury under the laws of the United States that the |
| 3                               | foregoing is true and correct.   |
| 4                               | Respectfully submitted,  |
| 5                               | Respectfully submitted,  /s/ David Harold Moore  David Harold Moore                |
| 6                               | February 7, 2018<br>Defendant  |
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# EXHIBIT A



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Steep Hill - Leading the Science of Cannabis

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#### Ep.314: Jmichaele Keller, Steep Hill

Dec 28, 2017 0

Jmichaele Keller returns to tell his personal cannabis story. Going back, he had cut out carbohydrates from his diet completely. But substantially increased travel had those carbs wade their way back into his daily plan. Which led to him finding himself in the emergency room. Over the past couple of years he's been to the hospital four times. The reason for these visits was due to a GI "adventure" as he calls it which has him living in a constant state of inflammation. He had found that CBD solves this problem. He found a product that worked for him, but he didn't have that product on the road which leads to what he calls an attack where his stomach becomes distended. On top of that attack, his body rejected CBD product which it turns out was not well tested.



**Download this Episode** 

#### **Ep.299: Jmichaele Keller Part II**

Nov 6, 2017

Jmichaele Keller returns to discuss domestic and global cannabis testing. He notes that each Country and US State alike is crafting unique and custom regulations from a scientific basis. Some localities have a level of expertise, some don't and eventually as Jmichaele sees it, cannabis is going to be legal across the board and when that happens, the real rules will be presented. He feels that it's important to write the global regulations now. If we don't, all of these specific rulesets regarding pesticides, yeast and mold, medical vs. adult use, etc. will find operators on a number of completely different pages and then the industry will find itself in a state of upheaval.

Case 3:18-cv-00373-LB Document 28-1 Filed 02/08/18 Page 7 of 27



**Download this Episode** 

#### **Ep.254: Jmichaele Keller, Steep Hill Labs**

Jun 1, 2017

Jmichaele Keller joins us and shares that he considered himself a global citizen upon his first trip out of the states when he was a kid. He appreciated architecture, went to Rome and as far as Asia to investigate. He found a calling though in computers- in which he started before there were Windows. He got a job as a room service waiter and fell in love with hospitality. He got one of the first IBM PCs that Marriott had- which had 64K of RAM and a 10 Megabyte hard drive. He made his way into finance and wowed executives by budgeting and forecasting using that now archaic machine. From there he went on to software and on to real estate. Jmichaele ultimately found his way into the cannabis industry through the very important work of lab testing.



**Download this Episode** 

Cannabis Economy

Ep.299: Jmichaele Keller Part II

47 MINS

https://www.stitcher.com/podcast/audio-archives/e/52166980

**Episode Info** 

Jmichaele Keller returns to discuss domestic and global cannabis testing. He notes that each Country

and US State alike is crafting unique and custom regulations from a scientific basis.

Some localities have a level of expertise, some don't and eventually, as Jmichaele sees it, cannabis is

going to be legal across the board and when that happens, the real rules will be presented.

He feels that it's important to write the global regulations now. If we don't, all of these specific rule

sets regarding pesticides, yeast and mold, medical vs. adult use, etc. will find operators on a number

of completely different pages and then the industry will find itself in a state of upheaval.

EXCERPTS OF PODCAST TRANSLATED VIA: www.Trint.com

[00:02:26] ...we should probably talk about Steep Hill. That's what we were supposed to talk

about and it turned into this other path. But that's OK.

[00:03:18] But let's just go ahead and start at the beginning... What was the organization. And

*let's start from there.* 

[00:03:36] Well like like. All right, so long, long-ago; ok I sold my software company right. Which we

talked about. Excellent. OK. And then like I got bored in real estate because it's too easy.

1

[00:03:51] Yeah right. So I just happened to Google "Cannabis investing". Right. And I'm like 'oh my God' there's this new Arcview thing. *Yeah right...* where entrepreneurs and investors are coming together just like a real thing... like a real thing... And like so I instantly... bought my ticket to fly to Alexandria Virginia.

[00:04:14] ...OK yeah. So I started a family office. And with the intent of investing across the space in cannabis; much easier than my current job. Absolutely. This is like a lot more work.

What happened? What did you how did you get wrangled in here?

Wow not sure if I got to say all that publicly out there. Well when I looked at that first conference that I went to in D.C. two years ago and I looked at Steep Hill Labs and said 'wow this really should be a software big data automation company that just happens to do lab testing' right. Right.

[00:05:34] You being a software guy as looking at everything from a you know from a software viewpoint.

Exactly. And that you know if I built that system right I can scale this globally. And I was in. You know I made my first investment on the spot...

...and so like my proposal to the board was right I'll I'll write you this really really big check. But you know I need to run this thing... From a business standpoint. Like all right I need to turn this into a real company....

[00:07:28] ... we are in the cannabis economy. There have been companies that have been in the industry for a long time and trying to do it the right way or some of those companies are now doing it the right way. And it sounds like Steep Hill was one of those companies were trying to do it the right way?...

[00:10:06] ...this is a message that I'm, you know; that I've been pitching for a year... and that all of the states are going around crafting their own regulations from a scientific basis. Right. And some

states have a level of expertise, some do not. But they're all doing their own thing. All right. And eventually, Cannabis is going to be legal federally legal in the United States. OK. And the FDA is going to say yeah that's all nice but here's the way that we're going to be doing it.

[00:10:45] ... So I've been pitching this concept of writing the federal regulations now for a year...

...So like you know testing and the science behind this plant is a really complicated business right. And like so as each state rolls out its regulations it it's they're totally different they're looking for different let's say a. They're looking for different pesticides. Maybe they test, maybe they don't test? different thresholds right. Different viewpoints on yeast and mold different viewpoints on recreational versus medical; which there should be separate testing regulations. Sure. Right. Yeah. Yeah.

You have to think of the like the moment when the FDA says OK here's the new rules. Right. What that is going to do to this industry as a whole. Because. Lab testing is in a regulated environment is in the center of everything right? Now can you imagine that all the rules change. On a dime. OK. And the effect of this entire industry when that happens it's going to be a complete and total chaos. Right. And you know my message to the states even going back a year ago is like can we just get together and kind of work this thing out?

[00:12:20] It. Seems logical. Right. Right. Why. Well you know I don't care about your regulations for you know taxation and all that kind of stuff. But science is science right. Yup there's not a whole lot of gray area there in my mind. And we should be able to all get together sit down in a room and figure this all out. OK.

You know don't like probably it's controversial to say that but my mission is not getting cannabis to be federally legal for recreational use. That's somebody else's battle right.

My battle is like you know hey you know we're putting people at risk whether it's legal or not. You know we as a government or the FDA they have a responsibility keep people from dying...

I think we would like there to be safe patient access. And like can we just get your help right. That's my message to them. Can we just get your help. This is this is kind of like your house right? Right. So

we've started to provide them with data. Great. So we've started to engage with the FDA and we'll kind of see where that goes.

[00:14:00] ... So here's like an example of that. So if a state puts in place regulations that are too strict.

And everyone fails what's going to happen?

[00:16:34] ...But you know I'd never envisioned that scientists would lie. Right. And I was just completely blown away by that.

[00:20:14] So there you have the market you've mentioned regulation. So the market needs to be managed. The scientists in that market need to be managed?

#### They need to be spanked...

Fair enough. You are a participant in that area. Yes. What are your suggestions for what we as an industry should do to self regulate and what our suggestions to regulators should be to weed out these bad actors?

[00:20:44] ...unfortunately there's not an easy answer to that question but I'm going to give you like a range of things that needs to happen in every single state. If you actually want to nail this problem. First of all... you can be ISO certified and still be a bad actor because you know when they're coming through your labs like alright let's do everything the right way that we're supposed to do it... and then tomorrow we're going to do something totally different right.

[00:24:43] Here's what you know I've said to regulators. You really want to understand what's going on in a lab you need full transparency into the lab you need to be able to take a sample in the marketplace go to the lab and say all right I want to see all your data.

And I want to see who prepped it. I want to see who analyzed it. I want to see what instrument it was done on.... I want to know the last time that machine was calibrated or maintain ever.

That is the only way to actually guarantee that a lab is telling the truth. Which brings us to California's standards... actually cracking the bad actor problem in the lab space which as I look at the industry and I say all right who's being responsible and who's not being responsible.

[00:25:42] And if I were an outsider looking at this entire industry the worst of worst bad actors is the lab portion of this industry. They're terrible because they're not being truthful they're lying. I'd call it lying. OK. Because you can go you can walk into a lab. And buy any you know certain labs by any test result you want.

[00:33:27] ... Well no it just needs to stay with the California regs on that viewpoint which are currently as they currently are...

[00:34:37] Yeah. So what if your what if I'm a regulator or even a legislator and I'm listening...

[00:36:55] Well I'd like to say that you know we're going to come out with what we think should be the federal regulations. Fair enough. Because somebody has got to do it right. Right. I think that Maryland has done a good job.

# EXHIBIT C

(https://www.newcannabisventures.com)



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# Steep Hill Labs

### Global Leader in Cannabis Testing and Analytics



Steep Hill Labs is the world's leading cannabis science and technology company with extensive expertise in lab testing, remote testing, genetics, R&D, and the licensing of intellectual property to strategic partners across the globe. Steep Hill's foundation was built on testing and analyzing medical and recreational marijuana to ensure compliance with public safety standards.

GET MORE INFO (https://form.jotform.com/62534288801155)

# Leading the Science of Cannabis



Steep Hill Labs pioneered the first medical cannabis potency and microbiological contaminants testing methodology for use in California in 2008 – the first state to legalize medical cannabis. Steep Hill is expanding throughout the United States, and globally. The company has since developed a variety of revolutionary cannabis testing products, including QuantaCann<sup>TM</sup>, QuantaCann<sup>2TM</sup> and GenKit<sup>TM</sup>. Steep Hill provides expert consulting services to many states, countries and municipalities, and the company is developing proprietary genetic testing, mapping and trademark protection services.



Steep Hill is an innovative research and development lab that generates highly-differentiated products



Protecting public health through the development of infrastructure and analytical services for legally-authorized cultivators, processors, distributors, retailers, and regulators of cannabis.

### Expanding Geographic Reach with Steep Hill Lab Locations



#### **ALASKA**

Steep Hill's innovative hub-and-spoke approach to providing remote testing was among the driving factors in the decision to work with Alaska. Central to this solution is a proprietary system that can provide testing in Alaskan communities that are not on the road system. In addition, this agreement will enable Steep Hill to bring testing capabilities to Alaska that are far beyond those that are currently available here, such as genetics testing and strain identification.

Steep Hill Arkansas is proud to serve the patients of the Natural State by providing rigorous quality-standard testing of contaminants to ensure pure and safe medical cannabis. Co-owned by two Arkansans who share a strong belief in cannabis as a medicine with many benefits, we are pleased to bring the industry's leading cannabis science company to Arkansas.

#### **CALIFORNIA**

The Steep Hill laboratory in Oakland, California was the first testing and research facility. Located at the heart of the cannabis legalization movement and serving the largest population of legal cannabis consumers, Steep Hill California provides extensive cannabis testing services to any cultivators, processors, dispensaries, collectives and Proposition 215-compliant medical cannabis patients with a valid recommendation and state-issued picture ID.

#### HAWAII

Steep Hill Hawaii is a full service laboratory located in the heart of Honolulu, Hawaii. It's Hawaii's 1st ISO/IEC 17025:2005 accredited lab in the state and provide testing for local cardholders. Steep Hill is also certified by the Hawaii Dept of Health to conduct full compliance testing for local dispensaries.

#### LOS ANGELES

Steep Hill Los Angeles serves the Southern California market with our Express Potency service as well as acts as a sample drop-off location for the Berkeley lab.

#### **MARYLAND**

The entry of Steep Hill Maryland marks a new era in cannabis safety. The Maryland team is composed of laboratory specialists, health care experts, and physicians, including board-certified pathologists and gastroenterologists who have been involved in patient care and diagnostic medicine for decades.

#### **NEW MEXICO**

Steep Hill was awarded the first testing license by the NW Department of Public Health. New Mexico is officially the fifth laboratory to open that follows Steep Hill standards and methods of procedure.

#### **OREGON**

Highly respected pain and addiction physician Dr. Carl Balog plans to open Steep Hill Oregon as a full service medical and adult use cannabis quality assurance laboratory and research facility in Portland, Oregon, bringing Steep Hill's proprietary advanced scientific tools and methodology to the state.

The Steep Hill laboratory in Seattle, Washington was the third testing and research facility. Steep Hill is a fully licensed I-502 testing facility, with state of the art equipment, and the best testing methodology in the industry.

# Seasoned Executive and Scientific Team



Jmîchaele Keller President and CEO

Mr. Keller leads the strategic vision and exponential growth of the company, implementing the systems that have strengthened the company's financial results

while building effective and cohesive teams. Originally joining Steep Hill as an investor, Mr. Keller recognized that experience in growing his previous software company could be leveraged to create a competitive advantage by building the Steep Hill  $myLab^{TM}$  software solution. His keen intuition and clarity for entrepreneurship, combined with his desire to unlock the potential in every human makes him a truly inspirational leader.



Brian Brandley, Ph.D., MBA Chief Lab Officer

Dr. Brandley oversees the daily operations of capacity planning, quality control, and laboratory management, as well as, the strategic planning of capacity, equipment

and personnel. Dr. Brandley has garnered 30 years of experience directing cross-disciplinary teams of chemists, biologists and business units. He led research organizations in analytical, preclinical, and GMP operations at multiple pharmaceutical and biotech companies where he directed R&D teams, researched INDs & NDAs, managing validations, specifications, stability protocols & intellectual property.



Jane Wright-Mitchell, PhmD, JD Chief Legal Officer

Ms. Wright-Mitchell advises Steep Hill on all legal and compliance matters. She manages legal risk, including protecting Steep Hill's intellectual property, regulatory,

human resource and financial business interests, and manages outside legal counsel. She joins the company with a wealth of legal management experience having worked for multiple publicly-traded

pharmaceutical companies. She holds a BS H Brological Sciences 1861 Claus of University, a Pharm.D. from the University of Illinois, and a JD from Chicago-Kent College of Law, Illinois Institute of Technology.

#### Jeremy Keller

#### **Chief Technology Officer**

Mr. Keller is responsible for all technology strategy and execution, including the vision and development of myLab™, Steep Hill's proprietary ERP software solution. Mr. Keller joined Steep Hill from the publicly traded company, Amadeus, and applies over twenty years of professional experience in building software development teams, product development, Agile and Scrum methodologies, IT systems management, architecting scalable enterprise products, networking, embracing the cloud ecosystem, emerging technologies and setting strategic planning.

#### Reggie Gaudino, Ph.D.

#### **Chief Science Officer**

Dr. Gaudino oversees all scientific research and development for Steep Hill and manages the Ynsight™ genetics division. Dr. Gaudino directed a team of researchers which led to the development of GenKit™, the first cannabis DNA-based sex test. The research from Dr. Gaudino has been peer-reviewed and published, leading to important new discoveries in the cannabis industry. He is internationally recognized as a leader in the field of cannabis genetics where his former experience as a Patent Agent with Sequenome brings valuable insight to the cannabis industry.

#### Scott Cathcart

#### **Chief Global Expansion Officer**

Mr. Cathcart is the architect and leader of the company's global expansion program, and responsible for the design, implementation, negotiation and management of Steep Hill's licensee and joint ventures across the United States and around the world. Under Mr. Cathcart's direction, Steep Hill has grown from one lab in Oakland, CA to labs in (10) U.S. states,

D.C., Canada, Mexico, Israel and Jamaica. Mr. Cathcart has served as a C-suite executive and managed major brands such as Gillette and Nestlé at ad agencies Ogilvy & Mather and J. Walter Thompson.

#### Steve Kain, Ph.D., MBA

#### **Chief Marketing Officer**

Dr. Kain's mission is to implement better solutions for Steep Hills' various stakeholders. He also provides leadership in marketing and the development of innovative software, products and services that enable our customers, licensees and strategic partners to excel in the global cannabis industry.

Prior to joining Steep Hill, Dr. Okain gamed extensive compiled that leave the Brief of the Brie

#### **Timothy Cowart**

#### **Chief Financial Officer**

Mr. Cowart develops, monitors and evaluates overall corporate financial strategy with an emphasis on long-term financial and operational planning, capital requirements, and enhancing shareholder value. Prior to joining Steep Hill, Mr. Cowart had twenty years of experience in corporate M&A and fund-raising activities including cofounding a publicly-traded European satellite communications provider which grew to over \$200 million in revenue in just 5 years. He has served as a financial consultant to numerous venture-backed companies in the San Francisco Bay Area.

#### **Tony Daniel**

#### **Chief Revenue Officer**

Mr. Daniel leads multiple teams that encompass National Sales, Customer Experience, Cultivation Science and Steep Hill Express™. Prior to joining Steep Hill, Mr. Daniel worked in various management roles in the film industry, before spending 14 years as a non-profit development executive, overseeing more than \$63 million in fundraising. He co-founded two social purpose companies, Make a Stand, Inc. and STAND Technologies. A long-time activist for cannabis legalization, his passion for social causes and social responsibility inspired his transition to Steep Hill.

### Curated Stories & News

(https://www.newcannabisventures.com/steep-hill-partners-in-jamaica-with-the-university-of-technology-to-provide-cannabis-testing-at-rastafari-rootzfest/)

Steep Hill Partners in Jamaica with the University of Technology to Provide Cannabis Testing at Rastafari RootzFest

Steep Hill & University of Technology, Jamaica Champion Cannabis Testing at Rastafari RootzFest in Jamaica on December 15-17, 2017 Steep Hill Brings World-Class Cannabis Science

(https://www.newcannabisventures.com/steep-hill-ventures-to-focus-on-funding-early-stage-cannabis-companies/)

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# Steep Hill Ventures to Focus or Cannabis Companies

Steep Hill Ventures Launched Focused Exclusively o Customized Cannabis Cannabis BERKELEY, Calif., Nov. 16, 2017 / PRNewsw Terpene Formulations Steep Hill, the [...]

### Steep Hill and Eybna Partner to Commercialize Customized Cannabis Terpene Formulations

"Delta" the First Customized Terpene
Formulation Product for Cannabis-Derived
Products November 15, 2017 – Berkeley, CA –
Jmîchaele Keller, President and CEO of Steep
Hill and Nadav Eyal, Co-founder and [...]

#### Case 3:18-cv-00373-LB Document 28-1 Filed 02/08/18 Page 22 of 27

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#### LATEST NEWS

February 7, 2018

### <u>DeepCell Industries Builds Upon its Cannabis Ingredients Platform</u> (https://www.newcannabisventures.com/deepcell-industries-builds-upon-its-cannabis-ingredients-platform/)

Exclusive Interview with DeepCell CEO and Co-Founder Kelly O...

February 7, 2018

# <u>Leafly to Begin Excluding Unlicensed California Dispensaries on March 1</u> (<a href="https://www.newcannabisventures.com/leafly-to-begin-excluding-unlicensed-california-dispensaries-on-march-1/">https://www.newcannabisventures.com/leafly-to-begin-excluding-unlicensed-california-dispensaries-on-march-1/</a>)

Leafly Announces Update to California Listings February 07, ...

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# EXHIBIT D

### BUSINESS INSIDER

# The US cannabis industry is growing insanely fast — there are now more legal cannabis workers than dental hygienists



JEREMY BERKE FEB. 4, 2018, 11:11 AM



A customer browses screens displaying recreational marijuana products for sale at the MedMen store in West Hollywood, California on January 2, 2018

REUTERS/Lucy Nicholson

total number of job postings for the cannabis industry increased 445% in 2017, according to job-search website ZipRecruiter.

- There are now more people working in the legal cannabis industry than there are dental hygienists in the US.
- The legal cannabis industry could be a \$21 billion industry by 2021.

The legal cannabis industry is posting some eye-popping job-growth numbers.

The total number of job postings for the cannabis industry increased by 445% in 2017, as a host of states — including Nevada and Massachusetts — legalized the plant for adult consumption. That's up from just 18% growth in 2016, according to a recent study from ZipRecruiter, an online job platform.

Nine states and Washington D.C. have legalized cannabis, though it's considered an illegal, Schedule I drug at the federal level.

Because of that trend, there are now more cannabis workers than dental hygienists in the US, according to Marijuana Business Daily, a financial-news publication focusing on the cannabis industry. The higher end of their estimate range suggests there were 230,000 people employed in the US legal cannabis industry in 2017, whereas there were 201,000 dental hygienists, according to the US Bureau of Labor Statistics.

Job growth in the cannabis industry is now outpacing some of the fastest-growing fields in the US, including tech and healthcare. Job postings in the healthcare industry grew 70% in 2017 while tech — defined as jobs in the software and IT space — rose by 254%, according to ZipRecruiter's data.

The pace of cannabis-industry job growth increased throughout 2017 as businesses went on a hiring spree to gear up for the start of legal sales in California, according to ZipRecruiter's chief economist, Cathy Barrera. (Marijuana became legal in that state on January 1.)

Cannabis jobs are mostly clustered in the industry's epicenters — Los Angeles, San Francisco, and Colorado, according to ZipRecruiter — as well as a few cities in Florida. Florida legalized medical cannabis in 2016.



A woman holds marijuana for sale at the MedMen store in West Hollywood, California U.S. January 2, 2018.

REUTERS/Lucy Nicholson

#### Cannabis could become a \$21 billion industry

Consumers spent around \$9 billion on cannabis in 2017, according to the industry research firm BDS Analytics.

Now that marijuana is legal in California — by far the most populous state to legalize the drug — the report predicts the state will pull in over \$5.1 billion in cannabis sales in 2018. For comparison, Californians bought \$5 billion worth of beer in 2017, according to industry research group IBIS World.

Total spending on legal cannabis is expected to skyrocket to over \$21 billion by 2021 for all US consumers, the

2/7/18, 12:29 PM

BDS report says. Factoring in "indirect effects" of legal cannabis revenue, such as transactions between cannabis companies and businesses in other industries (like shipping, packaging, payroll processing, etc.), BDS Analytics expects legalized cannabis to inject close to \$40 billion into the US economy by 2021, and add up to 413,988 jobs.

The report, however, notes that forecasts about the cannabis business are difficult because its illegal status at the federal level means the federal government doesn't track data for the industry.

If marijuana were to become legal in all 50 states, a new report from cannabis industry research firm New Frontier Data estimates that the industry could add over \$130 billion to US tax coffers by 2021. But that's only if Attorney General Jeff Sessions — a noted cannabis legalization opponent — doesn't pursue a federal crackdown.

Earlier this month, Sessions rescinded an Obama-era rule directing the Justice Department to leave state-legal cannabis businesses alone. That move may put the industry's future in jeopardy. A growing chorus of lawmakers on both sides of the aisle blasted Sessions' decision, though many leaders in the cannabis industry were unperturbed.

A majority of Americans support legalizing cannabis. Some 58% of voters said in a Quinnipiac poll earlier this month that marijuana should be legal, and 70% of voters oppose enforcing federal laws in states that have made marijuana legal.

Although President Donald Trump talked a lot about jobs in his recent State of the Union speech, his administration does not seem to favor policies that would boost job creation in several of the US' fastest growing areas: cannabis, solar power, and wind energy.